

CDBG Policy Committee Meeting
Tuesday, August 26, 2003

MINUTES

Present:

Chesley Christensen, Chairperson
Jerry McNeely, Councilmember; Southeastern Utah ALG
Jim Abegglen (for Mike McKee), Councilmember; Uintah Basin AOG
Constance Robinson, Mayor; Paragonah
Doug Thompson, Mayor; Logan
Dave Connors, Mayor; Farmington
Lewis Marchant, Mayor; Kamas

Guests: Joe Bonacci, Helper City; Bill Howell, SEUALG; Laurie Brummond, UBAOG,
Crystal Adams, UBAOG, John Williams, Five County

AOG Staff: Kelari Kellar, Uintah Basin; Steve Browne, Heidi DeMarco Mountainland; Debbie
Hatt, Southeastern Utah; Diane Lamoreaux, Five County; Jeff Gilbert, Bear River;
Sam Klemm, LaNiece Dustman Wasatch Front Regional Council, Emery
Polelonema, Six County; Crystal Adams, Uintah Basin AOG

DCED Staff: Richard Walker, Cheryl Elliott, Keith Heaton, Glenna Matekel, and Julie Iosefa

1. **WELCOME/INTRODUCTIONS, Mayor Christensen:** Mayor Chesley Christensen of Mt. Pleasant, chairperson of the committee, welcomed everyone to the meeting, which was held at the Department of Community and Economic Development, Conference Room 501, at 324 South State Street, #500 in Salt Lake City. The meeting started at approximately 1:30 p.m.

Approval of Minutes (June 3, 2003 – Board Retreat): The board accepted the minutes as written.

Motion: Mayor Dave Connors made a motion to accept the minutes. Mayor Lewis Marchant seconded the motion and it was carried.

2. **LMI INTERNSHIP – SET-ASIDE PROPOSAL, Richard Walker:** Russ Fotheringham of Utah County Department of Economic Development approached the state CDBG staff regarding a one percent set-aside to provide internships for low to moderate income students throughout the state. This was presented to the board. The board discussed the “pros” and “cons” of the proposal and then put it to a vote.

Motion: Mayor Connors made a motion to approve the one percent set-aside to provide internships for low to moderate income students. However, the motion was defeated with a vote of three in favor and four opposing.

3. **KAMAS CITY EMERGENCY REQUEST, Mayor Lewis Marchant:** Kamas City requested \$125,000.00 for a building to house their electrical equipment for sewer lagoons. The city found out that the electrical equipment had deteriorated due to its existing location and requires a separate facility.

Motion: Mayor Connors made a motion to approve the request of \$125,000.00 for Kamas City sewer lagoons. Mayor Doug Thompson seconded the motion and the motion carried. Note: Mayor Marchant of Kamas City did not vote.

4. **HELPER CITY EMERGENCY REQUEST, Robert Welch:** Helper City's emergency request for water lines. The city has lost one of the main water sources due to a broken supply line. The main line had been out of commission for a year and needs to be replaced. The city had raised sewer and water rates but it is not enough to cover the costs of repairs and maintenance and a new line is needed. They are requesting \$250,000 over two years.

Motion: Mayor Connors made a motion to approve the emergency request for Helper City's water lines for \$250,000. Mayor Constance Robinson seconded the motion and the motion carried.

Keith explained to the board how the emergency pot of money is funded. This is through interest earned from interim loans to cities and towns. With this interest the fund is perpetuated. It was also explained that approximately \$125,000.00 is available in the emergency fund at this time. Keith proposed that Kamas' request be paid through this funding source and Helper's be paid through future regional allocations since their request is much higher than the balance in the fund.

Helper City's loan will be secured by future CDBG allocation per The Application Guide 2004, Chapter 2, section D, paragraph 2 instead of a letter of credit. Helper City, Carbon County and the Southeastern Utah region are willing to guarantee this loan through future unused allocations to them. Helper will receive \$250,000 to be paid back with \$125,000 from 2004 and \$125,000 from 2005 Carbon County allocation.

5. **STATUS/REVIEW OF INTERIM LOANS, Keith Heaton:**
Uintah Basin Medical Center – payments from this loan are on schedule and up-to-date. The final payment is scheduled for July 2004 for \$834,000.00. Uintah Basin Medical Center has a letter of credit through August 2004. By federal statute, the board must approve to extend this loan for another year. Duchesne County has requested renewal of the loan per the terms and conditions of the original contract.

Motion: Mayor Thompson made a motion to approve the request from Duchesne County to extend the Uintah Basin Medical Center loan for another year per the terms and conditions of the original contract. Commissioner Jerry McNeely seconded the motion and the motion carried.

6. **SURVEY METHODOLOGY, Richard Walker:** State staff created a new and improved survey methodology because of several problems HUD had with the old one. This new survey methodology had been sent to HUD for their comments and input. Richard asked that the rules and regulations of the new survey be adhered to very carefully. Questions or concerns regarding survey compliance must be addressed to the CDBG state staff as soon as possible. The new survey methodology is found in Attachment E of the 2004 Application Guide.
7. **2004 APPLICATION GUIDE, Cheryl Elliott:** The board was presented with the draft of the Application Guide for the new fiscal year 2004. Cheryl reviewed the application guide with the board and there were some corrections made. The staff said that these corrections would be made in the final Application Guide that would be distributed during the "How To Apply Workshops". Cheryl also distributed the new CDBG application for everyone's review.

Motion: Mayor Marchant made a motion to approve the draft of the 2004 Application Guide (with corrections made in the final publication) as well as the new CDBG application. Mayor Robinson seconded the motion and the motion carried.

8. **CONSOLIDATED PLAN UPDATE, Richard Walker:** The due date for the Consolidated Plan is December 1, 2003. Richard said that the regions are no longer required to complete accessibility surveys but he would be sending out matrices for windshield surveys to the regions by September 19.
9. **ONE PERCENT TECHNICAL ASSISTANCE SET-ASIDE, Keith Heaton:** The amount for the technical assistance set-aside is 1% of the state allocation. This would be divided equally between the seven regions.

Motion: Mayor Robinson made the motion to approve the one percent technical assistance set-aside. Commissioner McNeely seconded the motion and the motion carried.

10. **2004 SCHEDULE, Glenna Matekel:** Glenna reviewed the activities and schedule for 2004 fiscal year.
11. **HUD MEETING IN DENVER, Glenna Matekel:** The board was briefed on the HUD meeting that the staff attended during the last week of August. The staff traveled at different dates to attend so that there was coverage at the office. Overall, the staff felt that it was an informative meeting.
12. **OTHER BUSINESS:**
 - Terms Expiring in December 2003:** Mayor Thompson, Mayor Connors and Mayor Christensen.
 - Policy Retreat:** June 2004, hosted by Wasatch Front Regional Council
 - Next Meeting Date:** February 3, 2004